

7.0 RULES OF PROCUREMENT

7.1 APPROACH

The purpose of this procurement is to secure a qualified and responsible Contractor to enroll and disenroll Medi-Cal beneficiaries who reside in Managed Care counties. The Contractor will also ensure objective, uniform, flexible and efficient methods for informing Medi-Cal beneficiaries of their choices for receiving medical and/or dental benefits in managed care counties at a reasonable and fair contract price.

The procurement is being conducted under the authority of W&I Code, Section 14016.6 and in accordance with Public Contract Code, Section 10344, Subsection (c). Each proposal must meet all requirements set forth in the RFP.

7.2 TIMETABLE

The timetable anticipated for this procurement process is described in RFP Exhibit 8-1.

7.3 PROPOSERS CONFERENCE

The State will conduct a voluntary Proposers Conference on September 27, 2000. The conference will be held at 1:00 p.m., in the auditorium of the Department of Health Services building, 714 P Street, Sacramento, California. Prospective proposers will have an opportunity to ask questions of the State and clarify any uncertainties that may exist in the RFP. Any spontaneous answers provided in response to such inquiries will be unofficial and not binding on the State, unless subsequently confirmed by the State in writing through the administrative bulletin process. To assist the State in answering questions concerning the RFP, proposers should submit by person or by fax questions no later than September 19, 2000 to:

Department of Health Services
Office of Medi-Cal Procurement
Attn: Patricia Warriner, Acting Chief
1801 Seventh Street
P.O. Box 942732
Sacramento, CA 94234-7320
Phone: (916) 323-7406, or Fax: 464-0855
E-mail: OMCPRFP1@dhs.ca.gov

7.4 LETTER OF INTEREST

All Letters of Interest must be on a firm's business letterhead and:

1. State the firm's interest in submitting a proposal;
2. Identify the prime Contractor, the prime Contractor's address, liaison person(s), and any proposed subcontractors (if known); and
3. Identify the Contractor's Representative who can legally bind the Contractor.

Letters of Interest must be received by the Office of Medi-Cal Procurement (OMCP) by October 6, 2000. Submission of a Letter of Interest does not obligate a firm to submit a proposal. Letters of Interest will not become public information until after the final date for submission of technical and cost proposals. Only perspective bidders who have submitted a Letter of Interest or who are on the permanent mailing list will receive Administrative Bullitens or addenda after October 6, 2000.

7.5 QUALIFICATION OF PROPOSERS

1. Each bidder must have the legal capacity to enter into a contract with the State and must meet the State's financial viability requirements as specified in Submission Requirements and Evaluation. Any contract awarded to a Proposer will identify such Proposer as the Contractor, who shall assume all rights and responsibilities attendant thereto.
2. The Proposer should have relevant prior experience similar to the scope of work in this RFP, which demonstrates the Proposer's ability to perform such work. Such experience may consist of a combination of experience either by the Proposer or by a parent corporation of the Proposer, or the relevant work experience of the management team as defined in Proposer Capability section or the relevant work experience of a subcontractor. If the prior experience and demonstrated ability requirements are to be met by the experience of subcontractors, documentation of the subcontractors' experience and ability must be formally submitted and accepted as part of the Proposer's technical proposal. Consideration will be given to the start-up, development, modification and/or operation of any Outreach & Enrollment program with particular emphasis placed on:
 - a. Enrollment and Disenrollment Systems
 - b. Medicaid or Medicare Programs

c. Government Contracts

Rules governing submission of evidence that demonstrate a Proposer's ability to satisfy these experience requirements appear in Proposer Capability Plan (Subsection 9.3.5).

3. Proposers shall meet the RFP's financial stability requirements. Rules for submitting appropriate evidence that a Proposer meets these requirements appear in Financial Stability and Guaranty Provisions Plan (Subsection 9.3.5.2). If the Proposer is a subsidiary of a corporation, the parent corporation shall provide a financial guaranty executed by a duly authorized officer of that corporation.

7.6 RESTRICTIONS ON COMMUNICATIONS WITH STATE STAFF

No State employee associated with the Department's Health Care Option program may be contacted regarding this RFP. Proposers shall not contact, directly or indirectly, any State evaluators or any other State personnel working on the RFP or technical proposal evaluation to ask questions or seek clarification on the RFP or its evaluation nor to discuss future employment or otherwise make any offer or conditional offer of future employment.

All communications regarding this RFP shall be in writing and directed only to:

Department of Health Services
Office of Medi-Cal Procurement
Attn: Patricia Warriner, Acting Chief
1801 Seventh Street
P.O. Box 942732
Sacramento, CA 94234-7320
Fax: 464-0855

7.7 EXAMINATION OF THE WORK

Proposers shall carefully examine the entire RFP, any administrative bulletin and addenda thereto, all related materials, and data referenced in the RFP or otherwise available, and shall become fully aware of the nature and location of the work, the quantities of the work, and conditions to be encountered in performing the work.

If a Proposer discovers any problem, including any ambiguity, conflict, discrepancy, omission, or error in this RFP, the Proposer shall immediately notify OMCP of such problem in writing and request clarification.

If a Proposer submits a technical proposal and cost proposal without notifying the State prior to such submission of any problem, including any ambiguity, conflict, discrepancy, omission, or error known to the Proposer, or if any such problem should have been reasonably known to the Proposer, the Proposer shall have done so at its own risk. In addition, if awarded the contract, the successful Proposer shall not be entitled to additional compensation for any additional work caused by such problem, including any ambiguity, conflict, discrepancy, omission, or error.

7.8 QUESTIONS

1. All correspondence regarding this procurement shall be submitted in writing or hand delivered in a sealed envelope addressed as follows:

Department of Health Services
Office of Medi-Cal Procurement
Attn: Patricia Warriner, Acting Chief
1801 Seventh Street
P.O. Box 942732
Sacramento, CA 94234-7320

This is a secured building, therefore, Proposers shall be prepared to provide delivery instructions to the security guard.

The correspondence shall clearly identify the organization submitting the question(s).

Only those answers to questions and specification clarifications that are in writing and signed by the Chief, OMCP, or designee, will be official State responses. Any oral or informal inquiries and any response or comment made thereto will not in any way bind or obligate the State or otherwise extend any deadline in the RFP process.

2. The OMCP will respond to questions received on or before November 10, 2000. After that date, the OMCP will respond only to questions related to administrative bulletins or RFP addenda issued by the OMCP. All questions received by the OMCP shall be answered in writing via the administrative bulletin process. All administrative bulletins will state the question, but not the source of the question, along with the State's response. Each bulletin will be assigned a

number and periodic mailings will be issued. Prior to October 6, 2000, mailings will be sent to all interested parties on the OMCP mailing list. After October 6, 2000, mailings will be sent only to those proposers who have submitted a Letter of Interest or who are on the permanent mailing list. The administrative bulletins, once issued, become part of the RFP and should be read in conjunction with and as part of the complete document.

7.9 RFP ADDENDA AND ADMINISTRATIVE BULLETINS

The State reserves the right to amend the RFP. Modifications will be made, or new information provided, by addenda or Administrative Bulletin issued pursuant to this section. Addenda and/or Administrative Bulletins will be issued so that changes may be inserted into the RFP as replacement pages, leaving the RFP as one complete stand-alone document.

7.10 DISPOSITION AND OWNERSHIP OF RECORDS

All materials submitted in response to this RFP shall become the property of the State and, as such, are subject to the Public Records Act (Government Code Section 6250, et seq.). The State shall have the right to use all ideas or adaptations of the ideas contained in any proposal received. The selection or rejection of a proposal shall not affect this right.

All proposals, evaluation materials, scoring sheets, and supporting material supplied by proposers, with the exception of information determined confidential and/or proprietary by the State, will be made available for public inspection on the day the Notice of Intent to Award is posted.

Proposers who wish to have their proposals returned after an award is made, must make the necessary arrangements with the State and are responsible for all charges involved.

7.11 CONFIDENTIALITY AND PROPRIETARY INFORMATION

1. State policies provide that all Proposals and all Evaluation and Scoring Sheets shall be available for public inspection at after the Notice of Intent to Award is posted. Accordingly, a Proposer shall not include any confidential, proprietary, or trade secret information (hereinafter "proprietary information") in the technical or cost proposals. Proposers are cautioned that any such proprietary information which may be included in the technical or cost proposal, even if inadvertently included, cannot later be protected from disclosure by the State.

2. In various sections of the RFP, Proposers are required to submit information, including plans, specifications, assurances, cost and financial data, other supporting data, and the like. Taking into account paragraph (1) of this Section, Proposers will nevertheless provide the required information in the technical and cost proposal in sufficient detail to permit the State to evaluate the response.

To the extent that a Proposer believes that he or she must present proprietary information in order to be responsive to an RFP, the Proposer shall not submit such information, but must identify and describe in detail how the proprietary information would support the Proposer's response to an RFP requirement, or any other submission by the Proposer under the RFP. Such description is to permit the later verification and substantiation of such information by members of the Evaluation team, as the State determines is necessary, using procedures described below.

If proprietary information is viewed, by the evaluation team as indicated below, it would be solely for the purpose of verification. Point scoring will be based only on information actually submitted. In addition, the Proposer must state in detail the basis upon which the information is claimed to be proprietary. If the State determines that the justification provided does not present a colorable claim that the information is, in fact, proprietary, the State may request the information under the provisions of Terms & Conditions (Chapter 6.0) through Evaluation (Chapter 11.0) relative to requests for further information and clarification.

3. In the event the Proposer identifies proprietary information in the technical or cost proposal which is believed to meet an RFP requirement, the State may do one of the following:
 - a. Direct the Evaluation team to undertake, pursuant to Evaluation (Chapter 11.0), oral discussions, reference checks, or a review of the proprietary information, at the Proposers' site in order to substantiate the assertion, claim, or performance characteristic asserted in the technical or cost proposal; or
 - b. Evaluate the submission on the basis of the non-proprietary information presented without seeking a review of the proprietary information.
4. Nothing in this RFP Section shall be construed to require the State, or any member of the Evaluation team, to review any of a Proposer's proprietary information. As a matter of policy, the Evaluation team will

use their best efforts to evaluate all responses using the information submitted and will only use the on-site review and verification process if it becomes necessary to validate the Evaluation.

Proprietary information related to the cost proposal will be reviewed only if there is a question regarding the acceptability of a Proposer.

5. Each Proposer shall submit a fully executed waiver regarding proprietary information and its confidentiality as part of its technical proposal should they provide such information for on-site review and/or verification.

7.12 COST OF PREPARING PROPOSAL

Costs associated with the development of any proposal are solely the responsibility of the Proposer and will not be reimbursed by the State. Any costs associated with any oral presentations and/or demonstrations will be the responsibility of the Proposer and will not be billable to the State.

7.13 TECHNICAL AND COST PROPOSAL AMENDMENTS

After the submission, the State will not accept amendments, revisions or alterations to technical or cost proposals except as requested by the State in regards to Evaluation.

Technical and cost proposals shall remain valid for six months after proposals are received, or a longer period if agreed to by the Proposer and the State.

The State may reject any and all technical or cost proposals if they are conditional, qualified in any way, unresponsive, incomplete, or contain any irregularities. The State, at its sole discretion, may waive any immaterial deviation in a technical or cost proposal.

If the Proposer is awarded the contract, any waiver of an immaterial defect by the State will in no way modify the RFP document or relieve the Proposer from full compliance with contract requirements.

7.14 OBJECTIONS TO RFP

Objections to the RFP must be received in writing by the OMCP no later than fourteen State workdays following issuance of the RFP. Proposers who have submitted a Letter of Intent may only make objections at this stage. The grounds for an objection are limited to allegations that the requirements of the RFP unduly restrict competition, and/or unduly favor one Proposer over

another. These objections will be reviewed by the OMCP in conjunction with the portion of the RFP being objected to. All objections will be resolved promptly. Objections that result in modification of the RFP will result in the issuance of an addendum to the RFP.

All objections shall be made in writing, and must be received by OMCP no later than 4 p.m. on the last day specified for objecting. All objections shall include a full and complete statement of the grounds for the objection, and be addressed as follows:

OBJECTIONS RFP 98-14905
Department of Health Services
Office of Medi-Cal Procurement
Attn: Patricia Warriner, Acting Chief
1801 Seventh Street
P.O. Box 942732
Sacramento, CA 94234-7320

This is a secured building, therefore, proposers shall be prepared to provide delivery instructions to the security guard.

Copies of Notices of objection to the RFP will be sent to all parties who have submitted a Letter of Interest or who are on the permanent mailing list.

Parties who receive copies of a Notice of objection and access to the related documentation will be advised that they may submit their views and relevant information concerning the objection to OMCP within five State workdays of issuance of the Notice.

All parties receiving a copy of a Notice of objection will be notified in writing of the State's final decision.

7.15 FORMAL PROCUREMENT PROTESTS

7.15.1 *PROTESTS TO THE DEPARTMENT OF GENERAL SERVICES AND DEPARTMENT OF HEALTH SERVICES*

Only Proposers who submit a proposal may file protests to the award of the contract. All protests must be received in writing by the Department of General Services and the Department of Health Services within five State workdays after release of the "Notice of Intent to Award," and shall be resolved in accordance with Section 10345 of the Public Contract Code. Protests to the "Notice of Intent to Award" shall state the reason, law, rule, regulation, or practice that the Proposer believes has been improperly

applied in regard to the evaluation or award of the contract or other aspects of the selection process.

Protests to the Department of General Services shall be sent to:

Protest to DHS RFP 98-14905
Department of General Services
1325 J Street, Suite 1910
Sacramento, CA 95814

A copy of the protest shall be sent to:

Protest to DHS RFP 98-14905
Department of Health Services
Contract Management Unit
1800 Third Street, Room 455
P.O.Box 942732
Sacramento, CA 94234-7320

This is a secured building, therefore, proposers shall be prepared to provide the room number to the security guard.

7.16 OMCP DATA LIBRARY

A Data Library for the sole use of Proposers will be opened _____. The Data Library contains basic information needed in the preparation of proposals. A separate letter will be sent to Proposers outlining the policies and requirements for utilizing the Data Library. Attachments to this letter will include a listing of the library contents as well as the appropriate documentation required for access. To obtain a copy of this letter, Proposers shall submit a written request to OMCP at the following address, will have sent in a Letter of Interest, or are on the permanent mailing list:

Department of Health Services
Office of Medi-Cal Procurement
Attn: Data Librarian
1801 Seventh Street
P.O. Box 942732
Sacramento, CA 94234-7320

or fax the request to (916) 464-0855, or telephone (916) 323-7406.

The Data Library will periodically be updated and Proposers will be notified of these changes by Data Library Notices.

This library will be open by appointment only on State workdays, Monday through Friday, 8:30 a.m. to noon and 1 p.m. to 4 p.m. Appointments to access the Data Library may be arranged by calling (916) 323-7406 or by submitting a written request addressed to:

Department of Health Services
Office of Medi-Cal Procurement
Attention: Data Librarian
1801 Seventh Street
P.O. Box 942732
Sacramento, CA 94234-7320

Access to this library is restricted to authorized Proposers and their authorized representatives who have submitted the appropriate documentation. Information contained in the Data Library is only available at the address listed above. The Data Library is not available on-line or through the Internet. To obtain other documents issued by other government agencies, proposers should contact those agencies directly.